

SURVEILLANCE CREDIT RATING REPORT ALVEENA TEXTILE



Ref. no.: FR/2022/31349

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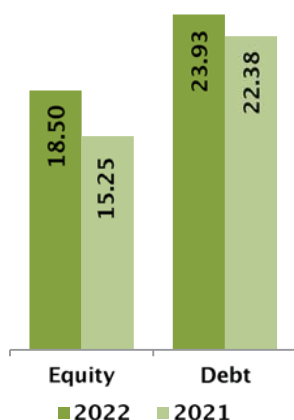
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	82.64	51.14
EBIT	11.43	3.28
Net Profit	9.10	1.75
Total Assets	42.42	37.63
Total Equity	18.50	15.25
Total debt	23.93	22.38
Net Profit Margin (%)	11.0%	3.4%
CCC (Days)	104	142
ICR (X)	5.58	2.22

**Capital Structure
(BDT. in million)**



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	20 November 2022	19 November 2023

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Mercantile Bank Limited	L/C LTR	40.00 (20.00)	nil (21.418)	18.09.2022
	Total	40.00	21.418	

Financial Based on—unaudited financial statements up to 30 June 2022.

Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Alveena Textile** (hereinafter referred as "AT" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Good interest coverage position

However, the above rating has been moderated to some extent due to some factors like:

- Tight liquidity position with long cash conversion cycle
- High levered capital structure
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to **above average level** of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that AT will be able to maintain its good fundamentals in the foreseeable future.